

STATE OF ILLINOIS
SECRETARY OF STATE
SECURITIES DEPARTMENT

IN THE MATTER OF:)

HECTOR LUIS CONCEPCION,)
MARGARET CARRASCO,)
~~ELITE INVESTMENT GROUP, LTD.~~)
SAMSON INVESTMENT GROUP LLC)

File Number: 1600176

NOTICE OF HEARING

TO THE RESPONDENT: Hector Luis Concepcion
c/o Kenneth Suskin, Esq.
1590 S Milwaukee Avenue
Libertyville, IL 60048
Sent via certified mail and email to sphinx711@aol.com

Elite Investment Group, LTD
c/o Kenneth Suskin, Esq.
1590 S Milwaukee Avenue.
Libertyville, IL 60048
Sent via certified mail and email to sphinx711@aol.com

Samson Investment Group, LLC
c/o Kenneth Suskin, Esq.
1590 S Milwaukee Avenue
Libertyville, IL 60048
Sent via certified mail and email to sphinx711@aol.com

Hector Luis Concepcion
39153 Welsh Lane
Beach Park, IL 60083
Sent certified mail and to email elite-investments32@outlook.com

Elite Investment Group, LTD
3101 W Armitage Street
Chicago, IL 60647
Sent certified mail and to email elite-investments32@outlook.com

Samson Investment Group, LLC
747 North Milwaukee Avenue, Suite 106
Libertyville, IL 60048

You are hereby notified that pursuant to Section 11.E of the Illinois Securities law of 1953 [815 ILCS 5] (the "Act") and 14 Ill. Adm. Code 130, Subpart K, a public hearing will be held at 69 W. Washington Street, Suite 1220, Chicago, Illinois 60602, on the 17th day of August 2016, at the hour of 10:00 p.m., or as soon as possible thereafter, before, James Kopcky, or such duly designated Hearing Officer of the Secretary of State.

Said hearing will be held to determine whether an Order of Prohibition should be entered against Respondent Hector Luis Concepcion and Respondent Elite Investment Group, LTD in accordance with 8.E(1)(o) of the Illinois Securities Law of 1953, as amended the ("Act"). Imposition of fines not to exceed \$10,000 against the Respondent for each violation of the Act described below; entry of orders of public censure; and charging costs of the investigation and all reasonable expenses, including attorney's fees and witness fees, in accordance with Section 11.E(4) of the Act.

The grounds for such proposed action are as follows:

NATURE OF THE CASE

Respondent Concepcion is the President and CEO of Respondent Elite Investment. Respondent Elite Investment purported to be in the process of purchasing a commercial space in Waukegan, IL to rent out units within it, but the sale did not occur. "JL" invested \$100,000 and "DH" invested \$10,000 with Respondent Elite Investment for its purchase of the commercial space in exchange for profits from its rentals. JL and DH invested based on promises from Respondent Concepcion that he was successful. In actuality, Respondent Concepcion had significant financial distress. As soon as JL transferred her investment, Respondent Concepcion immediately started transferring large sums out of Respondent Elite Investment's bank account. Despite clear requests from these investors for financial statements, the location of their funds, and a return of their investment, Concepcion refuses to do so.

FACTS COMMON TO ALL COUNTS

1. Respondent Hector Luis Concepcion ("Respondent Concepcion") is a natural person with a last known address of 39153 Welsh Lane, Beach Park, IL 60083.
2. Respondent Elite Investment Group, LTD ("Respondent Elite Investment") is an Illinois corporation incorporated July 9, 2014. Respondent Concepcion is its President and CEO. At times, Respondent Elite Investment was referred to as Elite Investment, LLC. Respondent Elite Investment's predecessor is Samson Investment Group, LLC ("Respondent Samson Investment"), which was involuntarily dissolved November 10, 2014. Respondent Concepcion was in control of all of these entities at all times relevant to this action.
3. "JL" is a natural person who invested with Respondent Elite Investment for its purchase and leasing of the commercial space, Academy Square.

4. "DH" is a natural person who invested with Respondent Elite Investment for its purchase and leasing of the commercial space, Academy Square.
5. Respondent Elite Investment is responsible for the management and operations of the purchase and leasing of Academy Square. Respondent Concepcion is Respondent Elite Investment's President and CEO. JL nor DH do not participate in the management and operations of Elite Investment or Academy Square.

**COUNT 1
FRAUD/DECIEPT AGAINST JL**

6. Respondent Elite Investment, by and through Respondent Concepcion, prepared an *investment contract in which JL signed on May 28, 2015 to invest \$100,000 in exchange for 1% profit earned from Academy Square May 28, 2014 to May 28, 2015.*
7. Respondent Samson Investment, the predecessor of Respondent Elite Investment, received \$100,000 in funds from JL as follows: \$18,000 on May 30, 2014 and \$82,000 on June 5, 2014.
8. Immediately after JL transferred the funds, Respondent Concepcion started making large fund transfers.
9. Respondent Elite Investment, by and through Respondent Concepcion, received a demand from JL for:
 - a. Financial statements;
 - b. The location of her funds; and
 - c. A return of her principle investment.
10. Respondent Concepcion, by and through Respondent Elite Investment, has not:
 - a. Provided any financial statements despite JL's demands;
 - b. Provided the whereabouts of JL's funds;
 - c. Provided any return of JL's \$100,000 investment;
 - d. Disclosed the whereabouts of JL's funds, as requested in a Subpoena Duces Tecum from the Illinois Securities Department ("the Department") due June 5, 2016.
 - e. Provided financial statements/documents, as requested in a Subpoena Duces Tecum from the Department due June 5, 2016.
11. Respondent Concepcion and Respondent Elite Investment never obtained capital to purchase the building.

12. Respondent Concepcion nor Respondent Elite Investment purchased Academy Square and remains for sale.
13. Section 12.A of the Act provides it shall be a violation of the provisions of this Act for any person to offer or sell any security except in accordance with the provisions of this Act.
14. Section 12.F of the Act states, inter alia, that it is a violation to engage in any transaction, practice or course of business in connection with the sale or purchase of securities which works or tends to work a fraud or deceit upon the purchaser of seller thereof.
 - a. Acceptance of investments from a third party without providing financial statements when requested or without providing an explanation of where the proceeds are located tends to work a fraud.
15. By the nature of the foregoing, Respondent has have violated Section 12.A and 12.F of the Act.

**COUNT 2
FRAUD/DECIEPT AGAINST DH**

16. Respondent Elite Investment, by and through Respondent Concepcion, prepared an investment contract in which DH signed on July 8, 2015 to invest \$10,000 in exchange for 1% profit earned from Academy Square for the year 2015.
17. On December 4, 2014, Respondent Concepcion issued a receipt to DH for \$5,000 of the investment; however, the total was \$10,000.
18. Respondent Elite Investment, by and through Respondent Concepcion, received a demand from DH for:
 - a. Financial statements; and
 - b. A return of his principle investment.
19. Respondent Concepcion, by and through Respondent Elite Investment, has not:
 - a. Provided any financial statements despite DH's demands;
 - b. Provided any return of DH's \$10,000 investment;
20. Respondent Concepcion and Respondent Elite Investment never obtained capital to purchase the building.
21. Respondent Concepcion nor Respondent Elite Investment purchased Academy Square and remains for sale.

22. Section 12.A of the Act provides it shall be a violation of the provisions of this Act for any person to offer or sell any security except in accordance with the provisions of this Act.
23. Section 12.F of the Act states, inter alia, that it is a violation to engage in any transaction, practice or course of business in connection with the sale or purchase of securities which works or tends to work a fraud or deceit upon the purchaser or seller thereof.
 - a. Acceptance of investments from a third party without providing financial statements when requested tends to work a fraud.
24. By the nature of the foregoing, Respondent has have violated Section 12.A and 12.F of the Act.

COUNT 3
FAILURE TO DISCLOSE FINANCIAL DISRESS TO INVESTOR JL

25. Respondent Concepcion held out to JL he was successful. He told JL he was established in Chicago with an office, employees, and capital from a loan provider ready to purchase Academy Square. He told JL that he has had success with similar projects before. His website also states he is "a well-respected relationship manager and business development leader." He travels and attempts to hold himself out as a successful business person.
26. Respondent actually was significantly financially distressed.
27. Respondent Concepcion failed to disclose his financial distress to JL.
28. Respondent Concepcion has been a debtor in at least two bankruptcy cases, both in the Northern District of Illinois, Eastern Division: Case Number 04B00049 which was discharged after Respondent Concepcion entered a payment plan to pay back numerous creditors, and Case Number 08B12805 which was dismissed after Respondent Concepcion failed to pay his mortgage according to the bankruptcy court's payment plan.
29. Respondent Concepcion failed to file tax returns with the Illinois Department of Revenue from 2012, 2013, 2014, and 2015.
30. Respondent Concepcion has had at least one lien/judgment filed against him through Illinois civil courts.
31. Taking into consideration Respondent Concepcion's two bankruptcy cases where he was the debtor, his failure to file Illinois tax returns for the last four years, and the lien/judgment filed against him, Respondent Concepcion was under significant financial distress.
32. Respondent Concepcion's significant financial distress is information a reasonable investor would want to know before investing.

33. Respondent Concepcion omitted material information about his significant financial distresses to JL before she invested.
34. Respondent Concepcion still seeks investors through Elite Investment's website <http://www.eliteinvestmentgroup.info/home.html> and elsewhere.
35. Section 12.A of the Act provides it shall be a violation of the provisions of this Act for any person to offer or sell any security except in accordance with the provisions of this Act.
36. Section 12.G of the Act provides it is a violation to obtain money through the sale of securities by means of any untrue statement of material fact or any omission to state a material fact in order to make the statements made, in the light of the circumstances under which they were made, not misleading.
37. By the nature of the foregoing, Respondent has have violated Section 12.A and 12.G of the Act.

COUNT 4
FAILURE TO DISCLOSE FINANCIAL DISRESS TO INVESTOR DH

38. Respondent Concepcion held out to DH he was successful. He told DH that he has had success with similar projects before. His website also states he is "a well-respected relationship manager and business development leader." He travels and attempts to hold himself out as a successful business person.
39. Respondent actually was significantly financially distressed.
40. Respondent Concepcion failed to disclose his financial distress to DH.
41. Respondent Concepcion has been a debtor in at least two bankruptcy cases, both in the Northern District of Illinois, Eastern Division: Case Number 04B00049 which was discharged after Respondent Concepcion entered a payment plan to pay back numerous creditors, and Case Number 08B12805 which was dismissed after Respondent Concepcion failed to pay his mortgage according to the bankruptcy court's payment plan.
42. Respondent Concepcion failed to file tax returns with the Illinois Department of Revenue from 2012, 2013, 2014, and 2015.
43. Respondent Concepcion has had at least one lien/judgment filed against him through Illinois civil courts.
44. Taking into consideration Respondent Concepcion's two bankruptcy cases where he was the debtor, his failure to file Illinois tax returns for the last four years, and the lien/judgment filed against him, Respondent Concepcion was under significant financial distress.

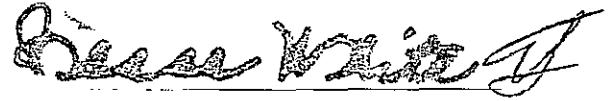
45. Respondent Concepcion's significant financial distress is information a reasonable investor would want to know before investing.
46. Respondent Concepcion omitted material information about his significant financial distresses to DH before he invested.
47. Respondent Concepcion still seeks investors, though Elite Investment's website <http://www.eliteinvestmentgroup.info/home.html> and elsewhere.
48. Section 12.A of the Act provides it shall be a violation of the provisions of this Act for any person to offer or sell any security except in accordance with the provisions of this Act.
49. Section 12.G of the Act provides it is a violation to obtain money through the sale of securities by means of any untrue statement of material fact or any omission to state a material fact in order to make the statements made, in the light of the circumstances under which they were made, not misleading.
50. By the nature of the foregoing, Respondent has have violated Section 12.A and 12.G of the Act.

COUNT 5
FAILURE TO RESPOND TO ILLINOIS SECURITIES DEPARTMENT SUBPOENA
DUCES TECUM.

51. On May 19, 2016, the Illinois Securities Department ("Department") issued a Subpoena Duces Tecum in the matter of this File No. C1600176 and the Department Investigator Raymond Jagielski attempted personally serve the Subpoena on Respondent Concepcion at Elite Investments' office, 3101 W. Armitage St., Chicago, IL 60647, but no one was there.
52. On May 19, the Department mailed via certified mail the Subpoena Duces Tecum addressed to Hector Luis Concepcion's last known address at 39153 Welsh Lane, Beach Park, IL 60083. The Subpoena Duces Tecum was returned to the Department May 31, 2016 marked as "return to sender unable to forward."
53. The due date for the Subpoena Duces Tecum was June 3, 2016.
54. On June 23, 2016, a copy of the Subpoena Duces Tecum and an extended due date of June 30, 2016 were emailed to Respondent Concepcion and Respondent Elite Investment, by and through their attorney's email.
55. On June 29, 2016, a reminder was emailed to Respondent Concepcion and Respondent Elite Investments, by and through their attorney that the Subpoena Duces Tecum was now due June 30, 2016. A copy of the Subpoena Duces Tecum was attached to that email again.

56. On July 1, 2016, an email was sent to Respondent Concepcion and Respondent Elite Investment, by and through their attorney's email, stating that our Department has not received any response to the Subpoena Duces Tecum and that Respondent Concepcion and Respondent Elite Investments have been in breach of the Subpoena Duces Tecum since its original due date, June 3, 2016.
57. Consequently on July 1, 2016, Respondent Concepcion and Respondent Elite Investment, by and through their attorney, responded via email that Respondent Concepcion "is assembling the requested items and should have them for [the Department] later next week."
58. On July 12, 2016, Respondent Concepcion and Respondent Elite Investment, by and through their attorney were informed that our Department has not received any response to the Subpoena Duces Tecum and that the Department would not take the sworn testimony of Respondent Concepcion and Respondent Elite Investment without first reviewing those documents requested in Schedule "A" of the Subpoena Duces Tecum. Consequently, Respondent Concepcion, by and through his attorney, said he would respond to the subpoena by the end of the week.
59. As of August 5, 2016, the Department has not received any response to the Subpoena Duces Tecum for Respondent Concepcion or Respondent Elite Investment.
60. The Subpoena Duces Tecum was issued pursuant to Section 11.D(1) of the Illinois Securities law of 1953 (815 ILCS 5/1 et. seq.) (the "Act").
61. Section 11.D of the Act states, inter alia, that the Secretary of State or a person designated by him or her may require by subpoena the production of any books and records, papers, or other documents which the Secretary of State or a person designated by him or her deems relevant or material to the inquiry.
62. Respondent Concepcion and Respondent Elite Investment failed to produce any of the documents requested by the due date, or any day thereafter, that were subpoenaed by the Department pursuant to the authority granted under Section 11.D(1) of the Act.
63. By virtue of the foregoing, Respondents failure to respond to the Subpoena by the due date impeded designees of the Secretary of State from conducting an investigation under Section 11.D (1) of the Act.

Dated: This 5th day of August 2016.

A handwritten signature in dark ink, appearing to read "Jesse White", with a stylized flourish at the end.

JESSE WHITE
Secretary of State
State of Illinois

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